THE MINISTER OF STATE OF THE MINISTRY OF (SHRI G. VENKAT SWAMY): (a) Yes, Sir.

(b) The State Governments are urged from time to time to expedite implementation of various schemes formulated by the Government of India for the development of the handloom sector and for the welfare of handloom weavers. A new scheme for setting up 3000 Handloom Development Centres and 500 Quality Dyeing Units has also been launched from the current year, besides other ongoing schemes.

Co-operative Cotton Yarn Mills in Gujarat

185. SHRIMATI URMILABEN CHIMANBHAI PATEL: Will the Minister of TEXTILES be pleased to state:

(a) the number of Cooperative cotton yarn mills in Gujarat;

(b) whether these mills are capable of meeting the demands of handloom and powerloom industries;

(c) whether there is any proposal to set up new cotton yarn mills in the Cooperative Sector; and

(d) if so, the number and location of the new mills proposed to be set up during 1994-95 and the Eighth Five Year Plan?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI G. VENKAT SWAMY): (a) As on 31.3.93, there were *4* cooperative spinning mills (cotton/man-made fibre textile mills) in Gujarat.

(b) Demands of yarn of handloom and powerloom sectors are met out of the production of all the spinning mills in the country whether in the Private, Public and Cooperative Sector.

(c) and (d) The Government on its own, does not set up any new cotton yarn mill in the cooperative sector. However, as per information made available by the National Cooperative Development Corporation (NCDC), there are proposals to set up 40 cooperative spinning mills in the country during the Eighth Five Year Plan period. The tentative State-wise break-up is as under:—

Andhra Pradesh-4, Maharashtra-8, Haryana-2, Rajasthan-2, Karnataka-4, Tamil Nadu-2, U.P.-1, Kerala-2, Assam-2, Orissa-2, Bihar-1, Tripura-1, M.P.-4, Punjab-2, West Bengal-1, Gujarat-2.

Impact of Yarn Price hike on Handloom Weavers

186. SHRI CHIMANBHAI MEHTA:
SHRIMATI RENUKA CHOUDHURY:
SHRI SUBRAMANIAN SWAMY:
SHRI G.G. SWELL:
SHRI SARDA MOHANTY:

Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that the rise in yarn prices has adversely affected Handloom Weavers and rendered more than 10 lakh weavers jobless; if so, details thereof; state-wise;

(b) what is the price of cotton of popular and high cost variety at present and to what extent the price rise is reflected in cotton yarn;

(c) whether it is a fact that Mills are not bringing down yarn prices despite the fall in cotton prices due to ban on export;

(d) whether is a fact that the traders are resisting the fall in cotton yarn prices; and

(e) whether Government are encouraging the blending of man-made fibre and yarn with cotton and cotton yarn; if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI G. VENKAT SWAMY): (a) The prices of yarn including hank yarn have reigstered increase during last few months affecting

the marketability of finished products of handloom sector. Reports regarding closure of looms from some parts of the country have come, however, there is no large scale unemployment on account of increase in yarn prices.

(b) A statement giving month end prices of popular and high cost variety of raw cotton is attached. (*See* appendix 170, annexure No., 6) During the period March, 1993 to February, 1994 while the raw cotton prices increased by 61.8% the cotton hank prices increased only by 13.5% and cone yarn prices by 20.9% during the same period.

(c) While the rising trend in cotton prices has been checked, there has not been much fall as yet in cotton prices. However, Government have taken following measures also to check the prices of cotton and cotton yarn:—

(i) decision to permit duty free import of cotton upto 5 lakh bales by spinning mills;

(ii) stopping of unutilised export quota of cotton out of 5 lakh bales of cotton released for export during 1993-94;

(iii) suspension of export on 9.2.94 in respect of the quantity of cotton already contracted for export but not yet shipped;

(iv) Re-introduction of selective credit controls on cotton;

(v) Requesting the State Governments to take steps to check hoarding of cotton;

(vi) Arrangement for supply of hank yarn by spinning mills at prices which are at least Rs. 8.00 per kg. cheaper than January, 1994 prices.

(d) There are no such reports received by Government.

(e) Yes, Sir. Steps have been taken to improve availability of Viscos Staple Fibre to enable mills to take up blending with cotton.

Funds for Modernisation of Textile Mills

187. SHRI S. AUSTIN: Will the Minister of TEXTILES be pleased to state:

(a) the amount of funds provided by Government for modernisation of textile mills during the last three years state-wise including Tamil Nadu; and

(b) the funds earmarked therefor during 1993-94?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI G. VENKAT SWAMY): (a) Statement is attached (*See* below)

(b) Modernisation of textile mills is a continuous process and quantum of modernisation assistance granted to industrial unit including textile mills depends upon its need and ability to meet viability/financing norms of institutions.

Statement

As per information furnished by Industrial Development Bank of India (IDBI), State-wise Assistance sanctioned and disbursed to textile mills during the last 3 years is given below (1.8.91 to 31.3.93)

(Rs. in lakhs)

Sl. No.	Name of State	1990-91		1991-92		1992-93	
		Sanc.	Disb.	Sanc.	Disb.	Sanc.	Disb.
1	Orissa	392.00	—	—	—	—	—
2	West Bengal	—	—	310.00	208.00	—	
3	Assam	485.00	709.00	—	—	—	—
4	Haryana	—	—	55.00	—	60.00	—